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Held at Headquarters, New York, on Wednesday, 6 October 2004, at 10 a.m.

Chairman: Mr. Balarezo ..... (Peru)

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The meeting was called to order at 10.10 a.m.

General debate (*continued*)

1. **Mr. Bataar** (Mongolia) said that, since overall progress in the achievement of the Millennium Development Goals had proved disappointing, significant changes were needed at the policy level. Furthermore, major efforts should be made to implement domestic reforms and good governance in developing countries and to mobilize additional financial resources in general.

2. Mongolia welcomed efforts to identify new resources for development and, in that regard, commended the United States administration for the creation of the Millennium Challenge Account. He hoped that such forms of development assistance would be effective in generating real economic growth.

3. A fair international trade regime, particularly global trade liberalization in agriculture and improved market access, would enhance and stabilize the export earnings of developing countries. Mongolia had noted recent positive developments in trade negotiation processes and continued to support special and differential treatment for small and vulnerable economies seeking full market access and low import tariffs from their larger trading partners.

4. Despite several initiatives taken by the international community, unsustainable external debt problems remained a serious obstacle in the pursuit of economic and social development. Mongolia was particularly interested in innovative ideas such as the exchange of debt for social development and, in that vein, he mentioned the successful resolution of the debt situation between Mongolia and the Russian Federation. Relieving Mongolia of a ten billion dollar debt would provide a significant boost to the country's economic development.

5. The year 2005 would be crucial as world leaders were scheduled to meet to review the progress towards the Goals. For its part, Mongolia was poised to launch a national report on the achievement of the Goals, and was committed to pursuing close collaboration with its development partners.

6. **Mr. Lopez** (Cuba) said that it was of vital interest to developing countries that the Committee should continue to be the legitimate framework for the defence of their interests. Referring to development setbacks experienced in the 1990s, he said the globalization process had not reduced the gap between rich and poor countries and had furthermore led to a decline in the role of the State and to reduced economic and financial capacities to safeguard basic rights. Despite its record of failure, privatization continued to be prescribed as a remedy to developing countries and sanctions and unilateral economic measures imposed on poor countries had produced disastrous consequences.

7. Recent natural disasters in the Caribbean region underscored the importance of international recognition of the special needs of small island developing countries. In that context, Cuba regarded the October negotiations on the preparations for the International Meeting to Review the Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States as a matter of priority. The success of the review process and its follow-up would depend on the political will of the entire international community, but especially of the developed countries.

8. Cuba would be keenly interested in the Committee's analysis of the triennial comprehensive policy review of operational activities for development. The consideration of that item would provide an opportunity for priority setting in an important area of work, through the Organization's funds and programmes.

9. **Mr. Kau** (Fiji) said that globalization had a great impact on the livelihood of Member States: while opportunities and wealth had been created, marginalization and division had produced adverse effects in developing countries. Those effects had been compounded by shortfalls in official development assistance (ODA), which was crucial to achieving some of the agreed Millennium Development Goals.

10. The insistence of WTO on free and open trade had harmed small economies, such as Fiji's, because of loss of earnings from reduced commodity prices. The future of the sugar industry was uncertain now that the partnership between the African, Caribbean and Pacific (ACP) group of countries and the European Union (EU) hung in the balance. He commended the efforts of ACP and EU members in promoting the interests of Fiji, and their appeal for consideration of the plight which Fiji currently faced.

11. Fiji was not against globalization and trade liberalization, but objected to, the pace at which the

process had been spurred on by the developed economies, through multilateral institutions and instruments, including international financial institutions. There was a lack of equity and justice in the way trade liberalization was being pursued, and developing countries were far removed from important decision-making processes. Small island economies had been coerced into accepting the belief that, in managing the policy challenges of trade liberalization, painful short-term consequences far outweighed long-term gains. His Government fervently hoped that assurances of assistance to small economies would materialize as genuine efforts to improve their situation, and hoped for the best outcome for future trade talks.

12. The fast pace of change, coupled with the loss of competitive margins and the withdrawal of schemes such as the Generalized System of Preferences, together with geographical and climatic conditions, continued to pose challenges for small economies. He therefore joined previous speakers in highlighting the vulnerability and fragility of small island States, as illustrated by the recent hurricanes in the Caribbean. In that regard, Fiji hoped that the January International Meeting in Mauritius to review the implementation of the Barbados Programme of Action would lead to new partnerships aimed at enhancing the resilience of small island developing States.

13. **Mr. Kazykhanov** (Kazakhstan) said that the extraordinary challenges of the previous year had diverted the attention of Member States from development issues. The current session of the General Assembly provided an opportunity to make comprehensive preparations for the review of the Millennium Declaration in 2005 and for the commemoration of the sixtieth anniversary of the United Nations. Follow-up on the outcome of the International Conference on Financing for Development remained a key item on the global development agenda. Once again there had been confirmation of the need to vigorously mobilize financial resources in order to ensure full and timely implementation of the Monterrey commitments. Kazakhstan therefore attached great importance to studies on innovative and unconventional sources of financing for development. With regard to resource mobilization, the effective use of domestic resources, notably through microfinancing, and active mobilization of international support should remain the most important tools for poverty eradication.

14. Being concerned about the marginalization of economies in transition and the deterioration of economic conditions in countries with poorly diversified economies, his Government would actively participate in discussions on the integration of economies in transition into the world economy so as to open new avenues to support those countries in their attempts to gain access to world markets and to join WTO.

15. As a landlocked country, Kazakhstan believed that the interests of such countries should be taken fully into account in decisions on economic development, international trade and interregional cooperation. Noting progress made in the implementation of the Almaty Programme of Action, he hoped that forthcoming discussions would produce recommendations on the expansion of the multilateral partnership designed to establish effective transit transport systems to ensure that products of landlocked developing countries gained secure and reliable access to world markets.

16. The review of the implementation of the Barbados Programme of Action would provide an opportunity for the international community to renew its commitments concerning the solution of problems faced by small island developing countries.

17. Sustainable development and environmental protection should remain priorities for the Committee. The territory of Kazakhstan had suffered from both man-made and natural disasters, the humanitarian, social and economic consequences of which had affected sustainable development throughout the Central Asian region. Kazakhstan called for an international partnership to develop a package of measures of financial, technical and humanitarian assistance from the United Nations, the specialized agencies and programmes, and multilateral financial institutions. A specific General Assembly resolution on the dying Aral Sea could lay the foundation for such an international partnership.

18. He also called for more active international cooperation on the former Semipalatinsk nuclear-testing ground, and hoped that a resolution on the topic would forge specific commitments to mitigate the effects of that man-made disaster.

19. Access to water resources was extremely important for his country in developing a framework for its international cooperation for sustainable development. He noted that the entry into force of the Kyoto Protocol was especially critical, and informed the Committee that Kazakhstan was in the process of becoming a party to that instrument.

20. **Mr. Jimenez** (Ecuador) said that the external debt burden on developing countries exerted tremendous pressure on the sustainability of their economies and the viability of democratic regimes. Particular mention should be made of the delicate situation facing middle- income and heavily-indebted countries. To date, the international community had not appropriately addressed the extremely vulnerable situation of those countries. Specific short-term and medium-term action should be identified to effectively reduce existing pressures and, in the long term, approaches should be based on factual elements and precise economic indicators that served as a platform for a predictable and sustainable framework for external debt servicing.

21. He emphasized the importance of international trade to Ecuador's economic and social development strategies. However, it was also important to have a fair level of international competition and effective differential treatment in favour of the developing countries. Practices that seriously distorted competition, such as subsidies and other measures of support amounting to unfair competition, should be abandoned. Bilateral and regional agreements tailored to the needs of the countries directly concerned could strengthen the global economy and promote trade expansion, investment, employment and income generation. Preferential trade mechanisms not subject to reciprocity should be enhanced as regards levels of access and coverage and simplified, for instance as regards rules concerning the origin of goods.

22. His delegation attached great importance to the future events scheduled on the important question of international migration: the thirty-ninth session of the Commission on Population and Development and the General Assembly High-Level Dialogue. The participation of countries of origin, countries of transit and host countries was necessary, as suggested by the World Commission on the Social Dimension of Globalization.

23. Ecuador was convinced that the most effective response to natural disasters and their grave human and material impact was the implementation of concerted measures, at all levels, aimed at risk reduction.

24. **Mr. Bhagwat-Singh** (International Union for the Conservation of Nature and Natural Resources (IUCN)) said that the Third IUCN World Conservation Congress, to be held in Bangkok, would be the most important conservation and sustainable development event in 2004 for the consideration and discussion of the relevant issues at regional and global levels. The Congress was expected to explore the relationships between people, development and conservation, including markets, trade and the private sector.

25. One of the key indicators of progress towards the development goal on environmental sustainability was the aggregate size of protected areas. Collectively, the governments of the world had achieved a degree of legal protection for biodiversity conservation over more than 10 per cent of the planet's terrestrial biosphere. That achievement had demonstrated that multilateral goals requiring concerted action by all Member States were in fact achievable within a decade.

26. Much remained to be done to protect marine ecosystems, and to reduce the threat posed by climate change and greenhouse gas emissions. IUCN was monitoring progress towards the Biodiversity 2010 target, and was encouraged by the participation of many European governments in the initiative to reach the target. The International Union welcomed the recent work programmes adopted under the Convention on Biological Diversity on protected areas and marine ecosystems, and looked forward to the reports on the Millennium Project and the Millennium Ecosystem Assessment.

27. In conclusion, he urged delegations to ensure that there was a clear link between the review of the Goals and follow-up to the Monterrey Summit. He suggested that the next high-level dialogue on financing for development should be scheduled as an integral part of the summit-level review of the Goals during the next session of the General Assembly.

28. **Mr. Mekdad** (Syrian Arab Republic) said that, on the eve of the review of implementation of the Millennium Development Goals, the international community still had not found solutions to the problems arising from poverty, heavy external indebtedness, reductions in official development

assistance, protectionism and State subsidies in international trade, and connected with technology transfer. Initiatives to resolve the problem of external indebtedness should not link cancellation of the debt to development assistance. His delegation welcomed the efforts that had been made in that regard.

29. Globalization must go hand-in-hand with efforts to narrow the technology gap between developed and developing countries. His delegation congratulated the delegation of Tunisia on the organization of the World Summit on the Information Society and hoped that all Member States would participate.

30. The obstacles encountered in multilateral negotiations relating to the eleventh United Nations Conference on Trade and Development (UNCTAD) raised questions regarding the willingness of developed countries to promote development. Those concerned should demonstrate the political will necessary to ensure that free trade did not work against the interests of developing countries. Unilateral sanctions against developing countries were a major obstacle to their economic and social development. They hindered the enjoyment of human rights and undermined international law.

31. South-South cooperation was also a key element in efforts to find a solution to the problems being faced by the developing countries. His delegation hoped that the summit of Latin American and Arab countries to be held in Brazil in 2005 would promote cooperation between those two groups, as well as South-South cooperation in general.

32. Many United Nations conferences and summits had highlighted the problems encountered by developing countries suffering from occupation. Foreign occupation was a threat to sustainable development and undermined human rights such as the right to life and the right to development. The international community must attach high priority to the issues he had mentioned so as to bring about a more just world order and guarantee development for all.

33. **Mr. Hachani** (Tunisia) stressed that external indebtedness aggravated poverty. He noted from the recent study on Africa's debt published by the United Nations Conference on Trade and Development (UNCTAD) that Africa's heavy indebtedness precluded its achieving the Millennium Development Goals. The negative transfer of financial resources hindered growth and aggravated poverty. That situation, which was not confined to Africa, could be improved on a lasting basis only if there was genuine political will to act. Rescheduling the debt and converting it for use in social and environmental projects could stimulate development and reduce poverty in middle-income countries. In the case of poor countries, debt cancellation was the key to their economic recovery.

34. The current multilateral trading system aggravated poverty. The developing countries had not benefited adequately from the advantages of globalization. All WTO members should be involved in implementing the Doha Development Agenda in order to bring about balance in trade and ensure that additional means could be provided for development. Excessive agricultural subsidies, limitations on market access and draconian conditions for WTO membership were all barriers to development that hindered the integration of the world economy. His delegation noted with satisfaction the compromise agreement reached on 1 August by the General Council of WTO. Although the agreement had not settled the fundamental issues involved, it would at least allow the negotiation process to be resumed.

35. The digital divide also aggravated poverty. The convening of the World Summit on the Information Society (WSIS), the second phase of which would be held in Tunis from 16 to 18 November 2005, was evidence of the international community's growing awareness of the seriousness of the situation. The objective of the World Summit was to put the digital divide in perspective and place development at the centre of efforts to integrate information and communication technologies (ICT) as a strategic tool of development. The General Assembly should be involved in the process leading to the Tunis Summit and beyond.

36. International solidarity was a weapon against poverty. The task of development was a long-term multidimensional process involving the mobilization of financial, human and technical resources that were beyond the reach of many developing countries. There was thus a structural need for external assistance that only the rich countries could supply. Those countries should respect their commitment to devote 0.7 per cent of their GNP to ODA in order to contribute to the achievement of the Millennium Development Goals. However, other sources of financing would need to be identified and mobilized in order to make up for the

ODA shortfall and translate into action the international consensus against poverty. The World Solidarity Fund established by the General Assembly was a tool for intervention that must be made operational. His delegation also welcomed other proposals and initiatives that had been launched with the aim of eradicating poverty and promoting development.

37. The Millennium Declaration, the International Conference on Financing for Development, the World Summit on Sustainable Development and other conferences and summits provided a framework for action that would bring greater balance and fairness to the global economy. His delegation also attached great importance to the question of migration and development and reiterated its call for an international conference on that issue.

38. **Mr. Sardenberg** (Brazil), speaking on behalf of the Rio Group, said that a suitable international environment must be created to enable the developing countries to meet the challenges of globalization. As recognized in the Monterrey Consensus, trade played an important role in promoting economic growth, employment and development. Market access for exports from developing countries was a prerequisite to growth and a fundamental factor in promoting investment, both domestic and foreign. The downward trend and volatility of commodity prices must be reversed.

39. The adoption in WTO of the so-called "July package" was an encouraging development. The time frame for conclusion of the global negotiations should be maintained, provided that the question of agriculture was included. The eleventh session of the United Nations Conference on Trade and Development, held in São Paulo, had ensured that the development dimension would be included in trade negotiations. It had also stressed the importance of giving the developing countries the necessary space to achieve their development objectives and to draw up the policies needed to ensure that globalization would be fair and would meet their needs. The principles enshrined in the São Paulo Consensus and the Spirit of São Paulo should be borne in mind.

40. A favourable environment should be created for multilateral cooperation on tax matters. On the question of the foreign debt, he stressed that creditors and debtors should share responsibility for preventing and resolving difficult situations. Debt relief could go a long way towards releasing resources for poverty reduction, sustainable economic growth and sustainable development. The Commission on the Private Sector and Development had made a significant contribution by highlighting the role of the private sector in promoting the economies of developing countries. The report of the Director-General of the International Labour Organization on the World Commission on the Social Dimension of Globalization also contributed to the dialogue on the challenges and opportunities of globalization.

41. There seemed to be broad consensus on the need to implement the commitments undertaken at various United Nations conferences and summits, especially those set forth in the Monterrey Consensus and the Johannesburg Plan of Implementation. Every effort must be made to improve coordination and cooperation both within the United Nations system and in regional and national agencies.

42. The support of the United Nations system to developing countries, especially through the Resident Representatives, was critical in facilitating coordination of projects and programmes. The Rio Group supported special measures for countries facing special situations, including the small island developing States (SIDS), the least developed countries (LDCs) and the landlocked countries. The Rio Group held the view that, without detriment to the provision of priority assistance to some developing countries, the Organization's programmes and funds should follow the principles of universality and eligibility. Countries that had achieved intermediate levels of development by implementing structural adjustment measures, opening up trade and improving governance still needed the support of the international community in order to ensure the sustainability of their efforts.

43. Referring to the Second Phase of the World Summit on the Information Society, he stressed that, in order to ensure the transition from an information society to a knowledge-based society, knowledge must be shared, bearing in mind all the ethical and sociocultural dimensions of sustainable development. The human dimension of the digital divide was just as important as the technological dimension, and any programmes to be implemented must respect human rights and fundamental freedoms.

44. The Rio Group hoped that, at its thirteenth session, the Commission on Sustainable Development would reach agreement on policies to assist countries in the areas of water, sanitation and human settlements. The fact that human settlements would be discussed in the context of the first thematic cluster should enable the Commission to further implementation of the outcome of the second United Nations Conference on Human Settlements (Habitat II).

45. The Rio Group supported negotiations on an international regime for promoting and safeguarding the fair and equitable distribution of the benefits resulting from the use of genetic resources. The Group also looked forward to the World Conference on Disaster Reduction, to be held in January 2005 in Kobe. The review of the Yokohama Strategy should include a call for the international community to contribute to the Trust Fund for the International Strategy for Disaster Reduction, as well as scientific, technical and human resources to strengthen the work of the inter-agency secretariat for the International Strategy. Support should also be offered for development of early warning mechanisms to mitigate and prevent the effects of extreme weather events. Considering the devastation caused by weather events in the Caribbean region, the Rio Group joined the humanitarian agencies of the United Nations in appealing for international aid for Grenada and Haiti.

46. The Rio Group trusted that the Second Committee would make a useful contribution to the high-level plenary meeting to be held at the commencement of the sixtieth session of the General Assembly. The Rio Group attached special importance to agenda item 84, on follow-up and implementation of the outcome of the International Conference on Financing for Development, to be considered by the Second Committee. As recognized in the Monterrey Consensus, financing for development entailed finding a lasting solution to the external debt, fulfilling commitments regarding official development assistance and ensuring flows of direct investment for development. In discussing the item, consideration should be given to innovative sources of finance, in the spirit of paragraph 44 of the Monterrey Consensus. The resources should be channelled to developing countries in a stable, transparent and predictable manner, without additional conditionalities. Proposals submitted in the context of discussions on follow-up to the Monterrey Conference should be considered from both the technical and the political standpoints. Discussions on the documents submitted to the Second Committee should be pursued with a view to contributing to the decisions to be taken in September 2005. In that regard, he wished to draw attention to the report of the Secretary-General and the report of the technical group on innovative financial mechanisms established by the Presidents of Brazil, Chile, France and Spain.

47. The effort to combat hunger and poverty launched by the four Presidents would entail increasing official development assistance and attaching greater priority to innovative financial mechanisms with a view to generating additional resources for implementation of the Millennium Development Goals. The meeting of world leaders on 20 September 2004 had renewed the political momentum in that regard. The New York Declaration on Action against Hunger and Poverty had been supported by 108 countries, and others would surely follow.

48. Since its Cuzco Summit, the Rio Group had also been considering the need for innovative financial mechanisms to expand the capacity of governments to make public investments, especially in the area of infrastructure. The Rio Group hoped that, in due course, the proposals being developed would receive the support of the international community. At its current session, the Second Committee should consider a wide variety of specific proposals for submission to the high-level plenary meeting, particularly those relating to assistance in fulfilling the Millennium Development Goals.

49. The Rio Group hoped to contribute to preparations not only for the plenary meeting itself but also for other important international meetings to be held in 2005, including the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions and WTO, the high-level segment on financing for development and the substantive session of the Economic and Social Council.

50. **Mr. Rastam** (Malaysia), said that globalization should be regulated so that its benefits could be shared by all. A new global order to correct the effects of market failures and marginalization of developing countries was urgently required. Accordingly, his delegation welcomed the report of the World Commission on the Social Dimension of Globalization entitled "A fair globalization: creating opportunities for all". Governments should study the Commission's

recommendations and implement appropriate measures to ensure fair and equitable benefits arising from globalization.

51. Fair trade was a crucial instrument for promoting economic growth and sustainable development. His delegation welcomed the outcome of the eleventh meeting of the United Nations Conference on Trade and Development (UNCTAD) and believed that the current discussions in WTO must focus on the developmental dimension of trade. The major economies and trading nations from among the developed countries must demonstrate a spirit of flexibility and good will. WTO members must also live up to their Doha commitments to reduce and eliminate export subsidies and substantially reduce trade-distorting domestic support. The creation of trading opportunities for developing countries should not be viewed as acts of charity, but as a way of enabling them to participate fully in the global economy. That in turn would assist them in their efforts to eradicate poverty and to create a more secure equitable and prosperous global environment. Noting that the unfair trade policies imposed on developing countries had resulted in widespread hunger and abject poverty in the poor countries, he expressed the hope that the consensus reached on the key areas under the Doha Development Agenda on 1 August 2004 would bring maximum benefits to all members, especially in the developing countries.

52. While Malaysia had achieved most of the Millennium Development Goals, unless serious efforts were made it would not be possible for many developing countries to achieve their goals in that respect. He therefore urged developed countries to fulfil their pledges with respect to ODA, noting that efforts by developing countries alone to establish conducive national environments in order to promote economic growth would not succeed without external and international cooperation and assistance.

53. Malaysia supported any proposal that would make available additional development assistance to combat poverty and promote human development. It also welcomed efforts undertaken by a few developed countries to address the external indebtedness of the heavily indebted poor countries in Africa and applauded African countries for their determination to realize the vision of the New Partnership for Africa's Development (NEPAD). Many African countries had taken positive steps to integrate the goals of NEPAD into their national development programmes. An improved policy environment under NEPAD had led to a more positive outlook for foreign direct investment flows to Africa, although mainly in the natural resources sector. However, unless African countries were given adequate support and facilities, including market access, all those efforts would be in vain.

54. He welcomed the New York Declaration on the Action Against Hunger and Poverty of 20 September 2004 concerning the need to eradicate the scourge of hunger and poverty once and for all and to explore new and innovative financing mechanisms. The discussions on new sources of financing for development should encompass the need for a new world order and issues such as a fairer international trading system and reform of the international financial architecture. They should focus on practical rather than ideological issues. Malaysia, which attached great importance to South-South cooperation, had consistently expressed and demonstrated its readiness to share best practices and development experiences with other developing countries and would continue to work with all its partners from developing and developed countries to promote South-South cooperation. Due attention must be given to developing the capacities of the least developed countries, small island developing States and landlocked developing countries, taking into consideration their peculiarities and special needs. Accordingly, Malaysia welcomed the convening of the high-level International Meeting to Review the Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States in January 2005 in Mauritius. That meeting should recommend concrete and practical measures to enable those countries to achieve some economic growth and sustainable development.

55. **Mr. Neil** (Jamaica) welcomed the Secretariat's excellent analysis of the current state of the international economy. While the 3 1/4 per cent growth rate projected for the forthcoming year was a good outlook for the international economy as a whole, rates of 6 to 8 per cent were needed for developing countries, particularly those with high debt-to-income ratios. While improved governance was essential to mobilizing domestic resources for development, no particular political or ideological model should be imposed on developing countries.

56. Given the critical impact of the external environment on the growth of developing countries in

the context of globalization, fair rules were needed for trade; however, there must be fairness in the application of such rules. In that regard, the forthcoming Doha Round of trade negotiations must apply development-oriented principles and focus on correcting trade imbalances. There was also a need to stabilize earnings from commodities. Arrangements could be made to encourage flows of foreign direct investment to developing countries. He was particularly concerned that a significant amount of ODA was being channelled into security expenditures rather than development needs. Furthermore, since remittances had become an important component of capital flows, new arrangements must be put in place to lower transmission costs. It was disappointing that the recent meeting in Washington of the Bretton Woods institutions had not reached any substantive agreements on debt relief.

57. Renewing the call for more facilitation of technology transfer, he stressed the importance of increasing the outsourcing of production through foreign investment and foreign placement of production facilities. In that regard, the promotion of industrialization in developing countries was critical to their development and to the diversification of their economies. With regard to governance, serious consideration should be given to establishing a mechanism within the United Nations system to deal with global macroeconomic management, coordinate the whole system of international economic policies, correct imbalances in the world economy and respond to crises as they arose. Such a mechanism was absolutely necessary in an age of globalization. There was a need not only for symmetry between labour and capital flows but also for more affirmative action in relation to migration flows, taking into account how globalization had affected the distribution of employment. Referring to the unwillingness of developed countries to provide an inclusive framework for participation of developing countries in discussions regarding the proposed international tax, he expressed the hope that the matter would be resolved in the Economic and Social Council.

58. As far as development policy was concerned, the main problem was that developing countries were given one model, the free market model, whereas what they needed was policy space to develop models appropriate to their own economic, social and political situation. That particularly applied to the role of the State. In most cases of development, including in developed countries, the State had been an important actor in the promotion of economic development. Given the circumstances of many developing countries, it was important for the State to have a positive role in the whole development process, including even in helping to build a vibrant private sector.

59. **Mr. Kittikhoun** (Lao People's Democratic Republic), speaking on behalf of the group of landlocked developing countries, stressed the need for innovative approaches to international development cooperation that placed development at the core of international relations and ensured full participation and integration of all developing countries into the world economy. He welcomed the initiative of global action against hunger and poverty, which would contribute significantly to attaining the primary goal of the Millennium Declaration. Expressing concern at the slow progress towards the achievement of the Millennium Development Goals, he stressed the need for greater integrated and coordinated efforts at all levels. The eighth goal stressed the special needs of landlocked developing countries, as well as small island developing States and the least developed countries. To date, however, no significant progress had been made to tackle the needs of those States, which together made up almost half the membership of the United Nations; nor had any satisfactory mechanisms been set up to measure progress.

60. Financing for development remained indispensable for sustained growth in developing economies. Landlocked developing countries had made every effort to mobilize domestic resources to meet their development needs, but few resources were available, primarily owing to the lack of significant economic growth and the increasing decline in foreign direct investment. The donor community should support landlocked countries without imposing conditions and complex procedures and the international community should ensure that landlocked developing countries received increased ODA and foreign direct investment flows so that they could meet their development needs.

61. Landlocked developing countries had become increasingly marginalized in the world trading system. The lack of territorial access to the sea, remoteness from world markets, inadequate transport infrastructure and burdensome border formalities had resulted in high transport costs. The high costs of transport and

insurance prevented landlocked developing countries from reaping the benefits of international trade and integrating into the global economic mainstream.

62. Welcoming the "July package" adopted by the General Council of WTO on 1 August 2004, he said that current WTO negotiations on market access for agricultural and non-agricultural goods should focus on products of interest to landlocked developing countries, as called for in the Almaty Programme of Action and the São Paulo Consensus. The landlocked least developed countries were pleased that trade facilitation was to be included in the next round of negotiations, since efficient trade facilitation measures would go a long way towards tackling the high costs of their trade transactions.

63. **Mr. Song** Se Il (Democratic People's Republic of Korea) said that, despite some progress in achieving the Millennium Development Goals, the international economic situation remained grave and was far from meeting current needs. The gaps between rich and poor, North and South, had not narrowed because of unfulfilled commitments to provide development assistance and unresolved questions concerning a fair international economic system and external debt. The political stipulations and profit motive involved in development-oriented funds and mechanisms hindered developing countries from achieving their development goals. The recent prevalence of unilateral embargoes and high-handed measures designed to exert political and economic pressure had seriously infringed the rights of developing countries and affected peace, security and well-being in the world.

64. An economic environment conducive to poverty eradication and development was needed to achieve the major development goals set at the Millennium Summit and the World Summit on Sustainable Development. The developed countries must increase official development assistance (ODA) and foreign direct investment to developing countries without setting political preconditions and show decisive will to resolve the problem of external debt.

65. International trade was one of the developing countries' main sources of development funds. Those countries must have access to international markets on fair terms. International financial and trade organizations must allow developing countries to take part in decision-making. There was a need for greater partnership between the United Nations, other international organizations, non-governmental organizations and the private sector. Lastly, the international community must reject such unjustified actions as military intervention and economic blockades, which undermined the independence and development of sovereign States.

66. His Government had made tireless efforts to reform and streamline its economic structure, stabilize the livelihood of its people and revitalize the economy despite military tension caused by outside forces and economic difficulties. It had also taken measures to resolve food and energy problems, for example, through the construction of medium- and small-scale hydroelectric plants. His Government would further develop cooperative relations with the international community to achieve the Millennium Development Goals.

67. **Mr. Mugume** (Uganda) said that sub-Saharan Africa might not attain the Millennium Development Goals because Africa was the only major developing region with negative growth in per capita income and remained mired in poverty and debt. His Government had gone to great lengths to put in place a macroeconomic environment and stringent economic and political reforms conducive to sustained economic growth. Although it had benefited from the Heavily Indebted Poor Countries (HIPC) Initiative, Uganda bore an unsustainable debt burden.

68. The achievement of the Goals was closely tied to the implementation of the New Partnership for Africa's Development (NEPAD). African countries had made a commitment to attain the Goals and to reverse the continent's marginalization through good governance, a viable security architecture, regional integration and a focus on NEPAD priorities for sustainable development. His Government had embarked on a peer review process and integrated NEPAD priorities into national development plans. At the subregional level, East African countries were implementing NEPAD projects to address infrastructure, energy and information and communication technology challenges. Stronger international support was required to help Africa to meet challenges identified under NEPAD.

69. The inequitable sharing of the benefits of globalization was perhaps the biggest challenge facing the international development community. His delegation therefore called on developed countries to follow the recommendations contained in the report of

the World Commission on the Social Dimension of Globalization to overcome the structural and systemic obstacles to wider access to the benefits of globalization.

70. It was necessary to address the issues of agricultural subsidies, tariff peaks and tariff escalation, non-tariff barriers, and capacity-building, particularly for the least-developed countries. Only by expanding the export base and overcoming supply-side constraints could those countries take advantage of market opportunities under the African Growth and Opportunity Act, Everything but Arms initiative and other preferential schemes. It was also crucial to meet the commitment of 0.7 per cent of the gross domestic product (GDP) of developed countries being devoted to ODA, increase foreign direct investment, ensure sustainable debt levels and pursue innovative sources of funding. There was a need for increased participation of developing countries in identifying development objectives and setting policies responsive to their needs and priorities.

71. As Paul Collier had pointed out in his keynote address to the Committee on 5 October, poverty was both a cause and effect of many conflicts. The countries of the Great Lakes region were committed to a successful outcome to the international conference on the region to be held in Dar es Salaam in November 2004, which would focus on post-conflict reconstruction, including disarmament, demobilization, resettlement, rehabilitation and reintegration of former combatants; conditions for sustained peace and stability; and creation of a framework for regional integration.

72. The Committee faced the challenge of evaluating the shared responsibility for implementing the declarations and strategies in the Monterrey Consensus, the Doha Development Agenda, the Programme of Action for the Least Developed Countries for the Decade 2001-2010, the Almaty Programme of Action, and the Programme of Action for the Sustainable Development of Small Island Developing States. It would be considering resolutions to ensure equitable distribution of the benefits of globalization and a Triennial Comprehensive Policy Review to ensure coherence and effectiveness of the United Nations system in the implementation of the Millennium Development Goals. Lastly, it must meet the challenge of mobilizing international support for NEPAD.

73. **Mr. Sambath** (Cambodia) said that, having recently emerged from many years of war and internal conflict, his Government understood the paramount importance of peace. However, as the Secretary-General stated in his report on the implementation of the United Nations Millennium Declaration (A/58/323), "for peace to be sustainable in the early twenty-first century, a State emerging from armed conflict has to be able to meet the challenges of globalization".

74. His Government gave top priority to achieving good governance. Success depended on its efforts to enhance peace, political stability and social order, to strengthen its integration into regional and international organizations, to build development partnerships and to promote a favourable macroeconomic and financial environment. In addition to adopting the eight Goals in the Millennium Declaration, the Government had proclaimed a goal related to demining, unexploded ordnance and victim assistance.

75. The people of Cambodia were beginning to enjoy the results of the reforms introduced. Between 1999 and 2003, the economy had experienced high growth rates, especially in the industrial sector, low inflation and a dramatic increase in exports. The textile and garment and tourism sectors contributed much to the country's economic development and job creation. Although the agricultural sector was dependent on weather patterns, his country had been self-sufficient in rice production since 1995.

76. Poor and developing countries such as Cambodia required assistance from the developed countries to reach their development goals, which would benefit all parties concerned. His Government called on developed countries to increase ODA flows to the least developed countries to 0.15 to 0.2 per cent of their GNP by 2006 and take the necessary steps to reverse the downward trend in ODA.

77. The outcomes of summits must not be implemented selectively. A focus on governance and social issues must not obscure the need for greater market access for developing countries; easing of the debt burden and eliminating protectionist measures. Developing countries must be incorporated properly into the international trade, economic and financial system. Financial resources must be shared effectively through ODA. The necessary resources for sustainable

development existed within the international community; it was a matter of sharing them for the benefit of all. Lastly, he hoped that Cambodia's accession to the World Trade Organization (WTO) would enable it to reduce poverty, take full advantage of globalization and be integrated fully into the world economy.

78. **Ms. Soto** (Costa Rica) said that her Government was strongly committed to economic and social development, which must go hand in hand. Such a principle had contributed to the high level of human development and significant reduction in poverty in Costa Rica. Her Government had attained the Millennium Development Goal of halving poverty and promoting gender equality. By law, at least 40 per cent of the parliament must consist of women, and more than half of the managers and administrators in the country were women, according to the most recent Human Development Report. There was universal access to health and education. Average life expectancy was 78 years, which placed Costa Rica twenty-third in the world according to the Report.

79. Her Government had diversified exports to compensate for the drop in international prices for raw materials and signed a number of bilateral trade agreements with various countries of the continent, which had positive results. South-South trade had been dynamic, and open access to markets in the South stimulated that trade. However, the major buyers of products from her country were still the developed countries and trade barriers and subsidies distorted the market, affecting growth and development. Her delegation welcomed the WTO decision on the Doha Agenda work programme, the "July package", which emphasized development, and believed in the need for a fair multilateral trade system for all. Although South-South cooperation and the transfer of best practices were important, such cooperation was a complement to and not a substitute for North-South trade.

80. Her Government was committed to achieving sustainable development and the Millennium Development Goals and had formulated a national development strategy to make better use of its resources to that end. It had made several international commitments, which, should result in a better life for its citizens. It shared the concerns expressed by the Intergovernmental Panel on Climate Change and called on States that had not yet ratified the Kyoto Protocol to do so. The hurricanes that had struck Haiti and Grenada were a reminder of the vulnerability of many small island developing States and of the need for follow-up to the Barbados Programme of Action. Environmental protection and conservation were also necessary for sustainable development. Twenty-five per cent of Costa Rican territory had been declared protected areas and several institutions and laws had been established to strike a balance between environmental protection and poverty-reduction policies.

81. Despite the many successes, 18.5 per cent of the Costa Rican population continued to live in poverty. There was a need for investment in infrastructure and innovative financing mechanisms for development. Her delegation therefore commended the initiative taken by the Governments of Brazil, Chile, France and Spain in proposing alternative financing mechanisms, particularly the tax on arms sales to finance the fight against hunger and poverty. Large investments were needed in the developing countries in education, health, public safety, transport and other areas. She therefore called on the international community to honour the commitments made at the Monterrey Conference. It would be counterproductive to penalize poor countries, such as Costa Rica, which were making efforts in the areas of disarmament, respect for human rights and labour rights, environmental protection and greater social investment by excluding them from the lists of beneficiaries of cooperation programmes and from systems of preferential treatment market access.

82. The forthcoming summits and conferences on economic and social issues must focus on development. The international community must not allow the High-level Panel on Threats, Challenges and Change to monopolize discussions and divert attention from the review of whether the Millennium Development Goals and other international commitments had been achieved.

83. **Ms. Filippini** (Haiti) said that the significant gap between the hopes embodied in the Millennium Development Goals and the reality, especially among the poorest countries, was in some cases caused by internal governance problems. While economic vulnerability was the result of poor governance, the converse was also true: political stability and democracy could not be built in the midst of poverty.

84. There were fresh concerns that the current macroeconomic environment, characterized by a

slowdown of growth in the principal developed countries, might jeopardize the efforts of developing countries to improve their economic and social situation. The re-establishment of the Ad Hoc Advisory Group on Haiti to implement a long-term assistance programme and the commitments made by many donors within the interim cooperation framework discussed in Washington, D.C., in July 2004 were encouraging. It was to be hoped that the priority rightly being given to humanitarian assistance in response to the recent natural disaster would not slow down the already intricate and long procedures for disbursing funds.

85. Given the fears aroused by globalization, the international community must strengthen the institutional capacities of developing countries and build multilateralism. The lack of access to new information and communication technologies greatly hindered the integration of countries such as Haiti into the world economy. Cooperation in the area of technology transfer must therefore be encouraged. The World Summit on the Information Society, should consider the need to extend technologies to more people around the world. The role of South-South cooperation must be stressed without diminishing the importance of North-South cooperation. The integration of developing countries into the globalization process required joint efforts to combat hunger and poverty. The high-level initiative undertaken by the Government of Brazil in that regard and the Conference on the Social Dimension of Globalization must be followed by specific action.

86. The Committee must tackle the issue of debt servicing, which diminished considerably the capacity to fund development activities. Her Government welcomed the many debt relief programmes implemented by the main creditors, which should give particular attention to the least developed countries vulnerable to natural disasters. The small island developing States faced such environmental threats as desertification, drought and floods. Her delegation commended the preparations for the International Meeting for the Review of the Barbados Programme of Action and also mentioned the World Conference on Disaster Reduction, the thirteenth session of the Commission on Sustainable Development, the high-level meetings on HIV/AIDS and financing for development, the second G-77 South Summit and the fifth session of the United Nations Forum on Forests.

87. Migration was an important source of wealth creation, benefiting host countries and countries of origin alike. In the light of its importance for the world economy, her Government welcomed the high-level dialogue on migration hosted by the Government of Peru. Lastly, the international community must give greater attention to overcoming HIV/AIDS, malaria and tuberculosis.

The meeting rose at 1.10 p.m.